Plaintiffs' Exhibit 131

Message

From:	Nitish Korula (Google Docs) [comments-noreply@docs.google.com]
Sent:	8/13/2019 10:53:14 AM
To:	nirmaljayaram@google.com
Subject:	Unified Auction Sellside Exec update

Nitish Korula added comments to the following document

[image]   Unified Auction Sellside Exec update

New

2 comments
Comments

The effect is estimated

[image]   Nirmal Jayaram

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it seems we now have the rasta numbers for the impact of UPR
https://rasta.corp.google.com/#/metrics?label=_:MZJHP7PVg0O4PSIKuh8NPT1Y1pk

With UPR, it seems for DBM (when DBM bids value), it's winning a lot of impressions and marginally higher revenue but almost 0 value increase on AdX. On 3PE, there is a slight (1-3%) decrease in impressions and revenue. Interestingly, there is revenue loss in Admob and Adsense (is there reason for this?) If my interpretations are correct, it seems like the benefit of UPR is rather marginal (maybe profit neutral and a slight increase in AdX spend at significantly lower VPI)....

[image] Ali Nasiri Amini

Wow! On Adx-web value is negative while we buy a lot more impressions and pay a lot more.

[image]   Nitish Korula **New**

That's misleading: A lot of the "value" for DBM comes from high-CPM PG and PD candidates, to which rules are not applied. If you look at DBM on AdX when restricted to open auction and private auction (https://rasta.corp.google.com/#/metrics?label=_:E5wqFSvyP5nNxrux8Ie3UMNhjMM), you see +40.3% impressions, +10.6% value, + 7.5% revenue.

Nirmal, I think the drop on AdMob and AdSense is probably just budget shifts.

On AdX-web, I see +31.8% impressions, +6.1% value, +6.4% revenue.

Of course we do see a higher increase in impressions than value/revenue, but that's expected because the lower-value impressions were the ones most likely to be blocked by floors.

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7.8%

Ali Nasiri Amini

  How do you define this number? Giving up last-look with the bid-translation?

Nitish Korula

Not with bid translation, since that number conflates a lot of things like UPR instead of legacy pricing rules. Even in our bid translation, some fraction of AdX buyers may choose to use it or not.

This is measured in the true second-price world. Suppose we just gave up last look, and stayed in a 2p auction how much would it cost us? (An equivalent way of thinking about it is if everyone used bid translation and we retained all the old floors instead of any new ones.) 7.8% is what we have to make up with other benefits (like lower floors, smart bidding, etc.)

Ali Nasiri Amini

Let me make sure that I get this right, for (100 - 7.8)% of traffic our Adx second-price bid is high enough to win over header-bid, etc so with or without last-look we would win them. Last-look allows us to win queries that account for 7.8% of Adx revenue. Do you know how much of this is from each different buyers DBM, GDN, Adx-buyers?

Nitish Korula

AdWords: 9.3% drop, which is 41.8% of the total loss on AdX
DV3: 5.1% drop, which is 26.7% of the total loss on AdX
AdX buyers: 12.8% drop, which is 20.5% of the total loss on AdX
Demand Syndication: 10.5% drop, which is 11.3% of the total loss on AdX.
gMob is neutral.

Ali Nasiri Amini

+nirmaljayaram@google.com Now I understand these numbers and how you got to them. However, I think that they are not very close to Nirmal's assessment based on RASTA.It is worth understanding the delta.

Nirmal Jayaram

+nitish@google.com In the rasta you have linked there, are both experiment and control running the legacy floored 2nd price auctions, one with and one without last look?

Nitish Korula New

Yes, that's correct, Nirmal. Which other data is it inconsistent with?

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